Section 1008

SEC. 1008. IMPROVEMENTS IN TRAVEL CARD MANAGEMENT.

(a) TRAVEL CARD MANAGEMENT IMPROVEMENTS -

Chapter 165 of title 10, United States Code, is amended by inserting after section 2784 the following new section:

Sec. 2784a. Management of travel cards

'(a) DISBURSEMENT OF TRAVEL ALLOWANCES DIRECTLY TO CREDITORS -

- (1) The Secretary of Defense may require that any part of a travel or transportation allowance of an employee of the Department of Defense or a member of the armed forces be disbursed directly to the issuer of a Defense travel card if the amount is disbursed to the issuer in payment of amounts of expenses of official travel that are charged by the employee or member on the Defense travel card.
- '(2) For the purposes of this subsection, the travel and transportation allowances referred to in paragraph (1) are amounts to which an employee of the Department of Defense is entitled under section 5702 of title 5 or a member of the armed forces is entitled under section 404 of title 37.

'(b) OFFSETS FOR DELINQUENT TRAVEL CARD CHARGES -

(1) The Secretary of Defense may require that there be deducted and withheld from any basic pay payable to an employee of the Department of Defense or a member of the armed forces any amount that is owed by the employee or member to a creditor by reason of one or more charges of

expenses of official travel of the employee or member on a Defense travel card issued by the creditor if the employee or member --

- '(A) is delinquent in the payment of such amount under the terms of the contract under which the card is issued; and '(B) does not dispute the amount of the delinquency.
- '(2) The amount deducted and withheld from pay under paragraph (1) with respect to a debt owed a creditor as described in that paragraph shall be disbursed to the creditor to reduce the amount of the debt.
- '(3) The amount of pay deducted and withheld from the pay owed to an employee or member with respect to a pay period under paragraph (1) may not exceed 15 percent of the disposable pay of the employee or member for that pay period, except that a higher amount may be deducted and withheld with the written consent of the employee or member.
- '(4) The Secretary of Defense shall prescribe procedures for deducting and withholding amounts from pay under this subsection. The procedures shall be substantially equivalent to the procedures under section 3716 of title 31.

'(c) OFFSETS OF RETIRED PAY -

In the case of a former employee of the Department of Defense or a retired member of the armed forces who is receiving retired pay and who owes an amount to a creditor by reason of one or more charges on a Defense travel card that were made before the retirement of the employee or member, the Secretary may require amounts to be deducted and withheld from any retired pay of the former employee or retired member in the same manner

and subject to the same conditions as the Secretary deducts and withholds amounts from basic pay payable to an employee or member under subsection (b).

'(d) **DEFINITIONS-** In this section:

'(1) The term 'Defense travel card' means a charge or credit card that-

'(A) is issued to an employee of the Department of Defense or a member of the armed forces under a contract entered into by the Department of Defense with the issuer of the card; and '(B) is to be used for charging expenses incurred by the employee or member in connection with official travel.

'(2) The term 'disposable pay', with respect to a pay period, means the amount equal to the excess of the amount of basic pay or retired pay, as the case may be, payable for the pay period over the total of the amounts deducted and withheld from such pay.

'(3) The term 'retired pay' means --

'(A) in the case of a former employee of the Department of Defense, any retirement benefit payable to that individual, out of the Civil Service Retirement and Disability Fund, based (in whole or in part) on service performed by such individual as a civilian employee of the Department of Defense; and '(B) in the case of a retired member of the armed forces or member of the Fleet Reserve or Fleet Marine Corps Reserve, retired or retainer pay to which the member is entitled.

'(e) EXCLUSION OF COAST GUARD -

This section does not apply to the Coast Guard.'.

(b) CLERICAL AMENDMENT -

The table of sections at the beginning of chapter 165 of such title is amended by inserting after the item relating to section 2784 the following new item: '2784a. Management of travel cards.'.